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Hearing Date and Time:

August 31, 2022 at 10:00 a.m.
**Related to Docs. 10569, 10574,
and 10566**

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

Sears Holdings Corporation, *et al.*,

Debtors.¹

Case No. 18-23538 (RDD)

Chapter 11

(Jointly Administered)

**ORIENT CRAFT LIMITED'S (I) OBJECTION TO FINAL FEE
APPLICATIONS BY (1) AKIN GUMP HAUER & FIELD LLP [Doc. 10569],
AND (3) WEIL, GOTSHAL & MANGES LLP [Doc. 10574]; AND (II)
RESERVATION OF RIGHTS WITH RESPECT TO THE JOINT MOTION
OF DEBTORS AND OFFICIAL COMMITTEE OF UNSECURED
CREDITORS FOR ENTRY OF AN ORDER APPROVING SETTLEMENT
AGREEMENT, GRANTING CERTAIN RELATED RELIEF AND
AUTHORIZING CERTAIN NONMATERIAL PLAN MODIFICATIONS IN
FURTHERANCE OF THE EFFECTIVE DATE OF THE PLAN [10566]**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

TO THE HONORABLE ROBERT D. DRAIN,
UNITED STATES BANKRUPTCY JUDGE:

1. Orient Craft Limited (“**Orient Craft**”)² submits this objection to the Final Fee Applications by (1) Akin Gump Hauer & Feld LLP (“**Akin**”) [Doc. 10569]; and (2) Weil Gotshal & Manges LLP [Doc. 10574] (“**Weil**”).

2. Orient Craft also submits this reservation of rights with respect to the Joint Motion of Debtors and Official Committee of Unsecured Creditors for Entry of an Order Approving Settlement Agreement, Granting Certain Related Relief and Authorizing Certain Nonmaterial Plan Modifications in Furtherance of the Effective Date of the Plan (“**Settlement Agreement**”).

3. Orient Craft incorporates by reference herein its prior objections to interim fee applications by Akin and Weil (Doc 9810, 10191); Orient Craft’s objection to the motion of the Official Committee of Unsecured Creditors for an order authorizing litigation funding with Bench Walk (Doc 10490); and Orient Craft’s objection to the motion of the Debtor to amend terms of engagement of preference firms (Doc 9492).

4. No further compensation should be paid to Akin or Weil until Orient Craft’s allowed administrative claim is paid.³

5. The United States Trustee’s Office should investigate the conduct of Weil and Akin at the confirmation hearing and whether false or misleading information was given to the Court regarding anticipated preference recoveries and the projected timing for the Plan becoming effective. See Doc 9492 at footnotes 4-8. The United States Trustee’s Office should also investigate the conduct of Akin in connection with the contingency fee arrangement agreed

² Orient Craft is an opt-out administrative creditor with an allowed claim of \$

³ Nor should any more fees be paid to Akin or Weil until all other allowed administrative claims are paid in full.

to by Akin but hidden from the Court and creditors until the Litigation Funding Motion was filed. See Doc 10490 at ¶ 3.

6. Before awarding any more fees to Weil and Akin, and in reviewing the fees previously awarded to these firms, the Court should consider the results, to date, obtained in this chapter 11 case. Big Law should not be immune from fee reductions when they make egregious errors, and the fact that this estate is still administratively insolvent almost three years after Plan confirmation, speaks volumes.

7. Regarding the Settlement Agreement, Orient Craft understands that negotiations are ongoing to resolve certain issues that impact on whether the Settlement Agreement will enable the Plan to become effective or, otherwise, allow for full payment to allowed administrative claimants, include the opt-out administrative creditors. Therefore, Orient Craft submits this reservations of rights to preserve its rights in connection with the upcoming hearing to consider the Settlement Agreement.

Dated: New York, New York
August 24, 2022

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